## UINTAH COUNTY



STATE OF UTAH

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January 18, 2012

Via Electronic Mail (johnbaza@utah.gov)

Mr. John Baza, Director Division of Oil Gas and Mining 1594 West North Temple Suite 1210 PO Box 145801 Salt Lake, City, UT 84114-5001

Re: Comments Red Leaf Resources Application for Large Mining Operations in Utah, M/047/0103

Dear Mr. Baza,

Uintah County is blessed with an abundance of natural resources. Its Commissioners support the extraction and mining of these natural resources when the process is carried out in an environmentally responsible manner. In addition, extraction related industries create good paying jobs for our citizens. It is our belief that Red Leaf Resources is a good example of an extraction company that embraces these same philosophies.

Uintah County shares Governor Herbert's belief that responsible energy development will improve the State of Utah's economy. Taking that into consideration, we were confused when there were two different comment letters issued by the State concerning Red Leaf Resource's permit application. We are concerned that this may send a mixed message. We believe that is important that the State agencies speak with one voice. One well drafted letter communicates solidarity and clarity. Two opposing letters may create confusion and work against our joint goal of supporting the extraction industry. Consequently, even though Uintah County has previously submitted comments, we would ask that you take this letter into further consideration.

The Uintah County Commission ("Commission") filed comments with the Division of oil Gas and Mining (DOGM) in support of Red Leaf Resources' (Red Leaf, or "Company") application for a Large Mine Permit. Comments were provided on November 22, 2011 during the public comment period, which closed November 28, 2011. Subsequent to provision of those comments, the Commission became aware of comments filed by the Utah Department of Wildlife Resources (DWR) on November 29, 2011 after the public comment period closed. Upon review of the DWR comments, the Commission felt it important to provide clarification on issues raised in the letter and also to continue to support your decision to approve the Red Leaf permit application.

First, the Commission notes that the mitigation protocol recommended by DWR is excessive. Red Leaf is a mining operation that cannot cease operations for up to five months during a year. In addition to being an impractical request for mining, requiring cessation of activities would result in lost jobs for the Uinta Basin community and lost revenues to the state and county. Moreover, the Commission has carefully reviewed Red Leaf's large mine application and believes that the incorporated reclamation plan is comprehensive, provides and integrated reclamation approach to moderate disturbance, satisfies all DOGM rules, and can result in an improved long-term environment for wild game. The Commission would urge that DWR review Red Leaf's plan, since it is not apparent form their letter that such a review has occurred.

In the absence of cessation of activities, DWR recommends a 1:4 off site mitigation. We believe that standard to be very excessive. The Commission understands that the cost of this may well fall into millions of dollars, resulting in an additional economic burden and hurdle for the Company to move into production. It appears the State agency's real objective is financial gain. Given that the Company's Notice of Intent (NOI) includes a comprehensive wildlife survey and reclamation plan, the Commission urges that Red Leaf has met the requirements of DOGM rules and that the company is not subject to additional undue burdens to operations.

DWR also request that Red Leaf maintain the integrity of "all fences disturbed during mining." The Commission understands that DWR is concerned that a lapse in the integrity of the fence could allow cattle to "trespass" on the DWR wildlife area and damage vegetation important to the maintenance of the wintering wildlife. However, the Commission notes that the fence in question does not fall within the boundaries of DWR property. This is evidenced by the land survey on file with Uintah County and referenced in the application submitted by Red Leaf. The fence is posted on acres owned by School and Institutional Trust Lands (SITLA) on which Red Leaf has leased the mineral rights. The Commission believes that an agreement on relocation of the fence can be reached between SITLA and DWR and that Red Leaf would be a willing cooperator in relocating the fence as needed. The Commission does not believe that the matter should impede approval of Red Leaf's permit or that it ought to be a condition of approval.

The final two significant issues raised by DWR deal with roads that are clearly within the domain of county jurisdiction and not related to matters on which Red Leaf has an obligation nor a right to negotiate. Any disturbance to the Klondike Canyon Road (Class D) will be subject to approval by Uintah County (or "County") and subject to a maintenance agreement between the County and Red Leaf. Presently, Red Leaf has a maintenance agreement with the county for the upkeep of the Reservoir Canyon Road (Class D). The Commission fully anticipates that Red Leaf will secure future maintenance agreements as required by mine activities and by Uintah County rules.

DWR has also suggested that reclamation activities include "partnering and installing crossing structures and fences along portions of the Seep Ridge Road..." It is important to note that the County performed an Environmental Assessment in order to upgrade the Seep Ridge Class B road. As part of this process, the County entered into an interlocal cooperative agreement with

DWR to assess wildlife impacts resulting from increased traffic and to install crossings as warranted by monitoring. Since the matter of potential crossings along the Seep Ridge Road is a matter of county record and subject to the County's jurisdiction, we assert that this is duplicative and is not an issue pertinent to the approval process for the Red Leaf project.

Red Leaf Resources has worked closely with the Commission to assure that we are informed of planned activities, environmental reviews, safety measures and training, and infrastructure requirements. The Commission has diligently reviewed issues, including a trip to Red Leaf's test facility, review of the company's large mine application, and evaluation of the economic benefits of the project. Based upon our interaction with Red Leaf over the last several years, the Commission appreciates the Company's commitment to the community and the environment. The Commission supports that this development can provide numerous high paying and stable jobs to our community, contributing to the long-term prosperity of the state. As such, we urge you to issue a final approval of the Red Leaf large mine application.

The Uintah County Commission appreciates the opportunity to provide you with these additional comments and your consideration of this statement as part of the DOGM review and approval of the Red Leaf permit application.

Sincerely,

**UINTAH COUNTY COMMISSIONERS** 

Darlene R. Burns, chair

Mike McKee

Mark Raymond